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RUEHBJ/AMEMBASSY BEIJING 7128
RUEHLO/AMEMBASSY LONDON 5472
RUEHMO/AMEMBASSY MOSCOW 2879
RUEHUL/AMEMBASSY SEOUL 1424
RUEHKO/AMEMBASSY TOKYO 5873
RUEKJCS/SECDEF WASHDC
RUEAIIA/CIA WASHDC
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RUCNDT/USMISSION USUN NEW YORK 7119
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ENRG, TRGY, PTER, IN

SUBJECT: INDIANS EXCITED, GOI CAUTIOUS ABOUT OBAMA VICTORY

REF: A. NEW DELHI 2878

[1](#)B. NEW DELHI 2860

[1](#)C. NEW DELHI 2852

[1](#)1. (U) Summary: The Indian public and the media heralded Barack Obama's presidential victory with joy, amazement and admiration. Indians from all social strata had followed the election with more interest than any previous U.S. presidential election. Many of the national dailies devoted several pages to election coverage and most editorials were effusive in their praise for the President-elect (reftels). The GOI responded quickly, President Pratibha Patil, Prime Minister Manmohan Singh, Congress Party chief Sonia Gandhi and Leader of the Opposition L.K. Advani sent prompt congratulatory messages. There was another strand of reaction that was more subdued and cautionary. The public policy/think tank/columnist community, while generally welcoming the election results, expressed concern over what shape the next administration's policies would take on three issues: Kashmir, outsourcing, and "nuclear issues." On Kashmir, there is concern that the Obama Administration would use "solving Kashmir" as a carrot for greater help from Pakistan in the fight against the terrorists on the Pak-Afghan border. Outsourcing concerns boiled down to a fear that if the global economy continues to deteriorate, the U.S. would "turn protectionist." Finally on nuclear issues, the articles noted President-elect Obama's initial ambivalence towards the U.S.-India Civil Nuclear Initiative, and expressed an anxiety that despite the completion of the Civil Nuclear Agreement, a Democratic administration may pursue a more expansive nonproliferation agenda. End Summary.

Excitement and Congratulations

[1](#)2. (U) The 2008 U.S. presidential election elicited huge interest in India. Most Indians were amazed at the mere fact of Barack Obama's candidacy as an African-American. There were strong expressions of support for Obama in the run-up to the election from average Indians as well as politicians.

With the election results in, media began to speculate as to when India would see its first Dalit prime minister.

¶3. (U) The election results drew widespread congratulations, including immediately released letters from Prime Minister Singh, President Patil and Congress Party President Sonia Gandhi. Prime Minister Singh's letter stated, "The people of India see your election as a historic mandate," and included an invitation to visit India as soon as possible. Ever the opposition politician and with an eye towards India's coming national elections, Bharatiya Janata Party (BJP) leader L.K. Advani framed his congratulatory message within the context of the need for electoral change.

Kashmir

¶4. (U) Yet, there was another strand of Indian reaction - that of the public policy/think tank community - which was more guarded and less effusive about President-elect Obama's victory. The concerns of this group are rooted primarily in a pre-November 4 interview on MSNBC in which candidate Obama reportedly said: "The most important thing we are going to do with respect to Afghanistan is actually dealing with Pakistan. And, we have got to work with the newly elected government there in a coherent way that says, terrorism is now a threat to you. Extremism is a threat to you. We should try to resolve the Kashmir crisis so that they (Pakistan) can stay focused not on India, but on the situation with those militants." C. Raja Mohan, perhaps the most highly regarded Indian foreign policy columnist who is

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well disposed towards the U.S. and led the public arguments in favor of the U.S.-India civil nuclear deal, captured the concerns when he reproduced the MSNBC quote and noted that India should object strongly to third element of the quote, with its reference to Kashmir. Raja Mohan and most others interpreted the Kashmir reference as an offer to Pakistan of American activism in Kashmir in return for Pakistani support in Afghanistan. At the DCM's November 5 reception to celebrate the U.S. elections, almost every journalist, member of parliament, academic and think tank luminary that PolOffs talked to expressed concern over the next administration's views on Kashmir.

¶5. (SBU) Almost every major English language newspaper carried front page articles on November 5 and 6 discussing what they perceive to be President-elect Obama's position on Kashmir. They also referred to a recent interview with Joe Klein of "Time" magazine in which candidate Obama is quoted as saying he would consider appointing former President Clinton as special envoy for resolving the Kashmir issue. Sidhartha Varadarajan of the Hindu noted that the Democratic "re-conquest of the White House has filled the (Indian) strategic establishment with a certain sense of foreboding." He said that the public policy community fears "re-hyphenation" of India and Pakistan in American foreign policy. Indrani Bagchi of the Times of India fears that many of President-elect Obama's foreign policy advisors are still in the "solve Kashmir" phase and "eight years behind the curve" on U.S.-India relations. At the same time, there are some voices suggesting that either the foreign policy community should not pay so much attention to campaign pronouncements or that there is a possibility that a newly confident India could more equally engage the U.S. on these and other issues.

¶6. (U) The Kashmir separatists jumped on the stories about candidate Obama's statements on Kashmir. All Party Hurriyat Conference leader Mirwaiz Omar Farooq welcomed the remarks, noting, "We see a role for the U.S. in resolution of the Kashmir issue and hope (President) Obama will fulfill his responsibility. Hardline separatist leader Syed Ali Gilani said he hoped "(President Obama) will use his good offices to resolve the Kashmir issue in its historic perspective."

Other separatists welcomed what they perceive as greater U.S. willingness to support their cause.

Outsourcing

¶7. (U) Outsourcing made the list of concerns from numerous unnamed GOI sources. Most media observers dutifully reported the talking point, and then dismissed it. Even Finance Minister Chidambaram told the press, "A comment here or a comment there on outsourcing should not bother us," when asked about comments on outsourcing candidate Obama made during the campaign. Shyam Saran, the Prime Minister's Special Envoy on Climate Change, told an interviewer that the GOI had a very positive assessment of Senator Obama based on some contacts with him before the election. Saran also dismissed the early speculation about what the next administration might do on Kashmir or outsourcing.

Nuclear Issues

¶8. (U) Judging by the leaks to the press, the Indian government still appears somewhat wary of Senator Obama's nonproliferation agenda. Indians perceived his Hyde Act amendment as an unfriendly contribution to the U.S.-India Civil Nuclear Initiative, though his statements of support for the Initiative during the course of the presidential campaign were well received. Some journalists continue to

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wonder in print whether the Bush Administration's political commitments with regard to fuel supply assurances will endure under the Obama Administration. What seems to worry the GOI most is the influence of the U.S. nonproliferation lobby on a Democratic administration and Congress. Based on press commentary, GOI officials are concerned that the Obama Administration may pursue a nonproliferation agenda that would push India to sign the Comprehensive Test Ban Treaty (CTBT) and to complete a Fissile Material Cutoff Treaty (FMCT) before it is ready to do so. GOI officials hope, especially following conclusion of the Civil Nuclear Initiative, that subsequent U.S. administrations will treat India as a genuine partner in nonproliferation rather than as part of the problem.

Comment: All Good Except on Kashmir

¶9. (SBU) The GOI wasted no time leaking through the press its informal views on areas of possible contention with the new U.S. administration. Thus far the views remain a thumbnail sketch and in all likelihood, a set of talking points was prepared for a McCain victory as well. While the outsourcing and the CTBT/FMCT concerns appear to be throw away issues, there appears to be some concern about the Kashmir policy of the next administration. There has been no GOI statement on the next administration's views on Kashmir, but we would not be surprised if the GOI in the weeks or months ahead draws a line in the sand by issuing a statement warning against "third party mediation" in Kashmir. As Indrani Bagchi of the Times of India notes, "there may be a long period of painful diplomatic exchanges before the Obama Administration can be made to realize that the Kashmir problem is just an alibi for Pakistan as it seeks to secure its objectives in Afghanistan and have its way viz India."

¶10. (SBU) The overarching tone suggests GOI and the public policy community wants and expects the upward trajectory of the bilateral relationship to continue. The enormous public outpouring of support for President-elect Obama, however, cannot be denied. Raja Mohan, writing in the Indian Express put it best, "The millions of Indians who rooted for Obama may have had a better sense of America's big moment and its long term significance for India than the foreign policy community so preoccupied with measuring the differences

between Republicans and Democrats, say on free trade and
nuclear arms control."
MULFORD